

# Senate Study Bill 1210

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON BOLKCOM)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act providing a sales tax exemption from the sale of certain  
2 automotive paints and materials to retailers to be used for  
3 motor vehicle collision repairs.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
5 TLSB 1985SC 83  
6 ak/mg:sc/8

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1 1 Section 1. Section 423.3, Code 2009, is amended by adding  
1 2 the following new subsection:  
1 3 NEW SUBSECTION. 40A. The sales price from the sale of  
1 4 automotive refinish repair paint and other vehicle body  
1 5 materials to a retailer to be used in providing a service that  
1 6 is subject to section 423.2, subsection 6, if the service  
1 7 provided includes the permanent application or use of the  
1 8 paint and materials during a motor vehicle collision repair.

1 9 EXPLANATION  
1 10 This bill provides a state sales tax exemption for the  
1 11 sales of automotive refinish repair paint and other vehicle  
1 12 body materials to a retailer who will use the paint and  
1 13 materials to provide a service that includes the permanent  
1 14 application or consumption of the paint and materials for the  
1 15 repair of a motor vehicle collision. The bill requires that  
1 16 in order to qualify for the exemption, the retailer's services  
1 17 must be subject to Code section 423.2, subsection 6, which  
1 18 requires the retailer to charge sales tax on the automotive  
1 19 services the retailer provides.  
1 20 LSB 1985SC 83  
1 21 ak/mg:sc/8